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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

SEARS HOLDING CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**INTERNATIONAL BUSINESS MACHINES CORPORATION'S LIMITED
OBJECTION AND RESERVATION OF RIGHTS TO FIFTH SUPPLEMENTAL
NOTICE OF CURE COSTS AND POTENTIAL ASSUMPTION AND
ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

International Business Machines Corporation, on its own behalf and on behalf of its subsidiaries and affiliates (collectively “**IBM**”), by and through its attorneys, hereby files this limited objection and reservation of rights (the “**Limited Objection**”) with respect to the Fifth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction [ECF No. 3097] (the “**Fifth Supplemental Cure Notice**”) and, in support thereof, states as follows:

IBM has entered into a written agreement (the “**Assignment Agreement**”) with Transform SR Holding Management LLC (“**Transform**”) with respect to the assumption by the Debtors and the assignment to Transform of certain contracts between IBM and the Debtors (the “**IBM Contracts**”) with an agreed-upon cure amount to be paid by Transform (the “**Agreed Cure Amount**”). The Assignment Agreement is effective on the date that the Agreed Cure

Amount has been fully paid to IBM.

The Fifth Supplemental Cure Notice lists four IBM Contracts with a zero cure amount. These four IBM Contracts are among those to be assumed and assigned to Transform pursuant to the Assignment Agreement, which provides that the Agreed Cure Amount for Amendment No. 6 to the Amended and Restated Exhibit for Retail Store Support Services (“**Amendment No. 6**”) is greater than zero. To date, IBM has received approximately 85% of the Agreed Cure Amount for the IBM Contracts, but the final payment is not scheduled to be made until after the objection deadline for the Fifth Supplemental Cure Notice.

Accordingly, in an abundance of caution and to preserve its rights with respect to the Agreed Cure Amount for Amendment No. 6, IBM is filing this limited objection to the Fifth Supplemental Cure Notice solely with respect to the proposed cure amount of zero for Amendment No. 6. This limited objection will be withdrawn upon receipt of the final payment of the Agreed Cure Amount.

WHEREFORE, for the reasons stated above, IBM objects to the cure amount proposed for Amendment No. 6 in the Fifth Supplemental Cure Notice.

Dated: New York, New York
April 17, 2019

SATTERLEE STEPHENS LLP
*Counsel for International Business Machines
Corporation*

By: /s/ Christopher R. Belmonte
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CERTIFICATION OF SERVICE

I hereby certify that on April 17, 2019, I caused a true and correct copy of the foregoing *International Business Machine Corporation's Objection and Reservation of Rights to Fifth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases* to be served on the Objection Recipients, as identified in the *Order Approving Global Bidding Procedures and Granting Related Relief* (ECF No. 816) and set forth on the attached service list, to the email addresses set forth for each person on in the *Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 1731) or on the Master Service List as of 4/1/2019, obtained from website maintained for the Debtors' bankruptcy cases by Prime Clerk.

Dated: April 17, 2019
New York, New York

/s/ Christopher R. Belmonte
Christopher R. Belmonte

SERVICE LIST

A. The Bid Notice Parties:

i. The Debtors

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iii. The Debtors' Investment Banker, Lazard Frères & Co

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